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State Banking Before the Civil War; and the Safety Fund Banking System in New York. By DAVIS R. DEWEY and ROBERT E. CHADDOCK. Report of the National Monetary Commission, Senate Document No. 581, 61st Congress, 2nd Session, 1910. (Washington: Superintendent of Documents, 1910. Pp. 388.)

The Origin of the National Banking System. By ANDREW MCFARLAND DAVIS. Report of the National Monetary Commission, Senate Document No. 582, 61st Congress, 2nd Session, 1910. (Washington: Superintendent of Documents, 1910. Pp. 213.)

These volumes are fairly representative of the historical side of the work relating to money and banking which is being done for the National Monetary Commission by investigators engaged for that purpose. The monographs published by the Commission relate to various topics of large interest, both European and American, but it is natural that American students of banking turn most immediately to the inquiries that have a bearing upon conditions in their own country. The volume now in hand includes a general discussion of State banking before the Civil War, by Professor Dewey; while the importance of the subject is deemed sufficient to warrant a special treatment of safety fund banking in New York, by Dr. Chaddock. Taken together, the two are possibly the most inclusive discussion of banking in the states prior to the war that has yet been published. In both monographs extensive use has been made of both primary and secondary material, and the impression left by a reading of the discussions is that practically all available sources have been drawn upon in the preparation of the work.

The main value of the monograph on state banking is not found in any generalizations regarding methods of banking, for the volume has not apparently been compiled with that end in view. A number of topics relating to banking, bank notes, bank stock, etc., have been chosen, and then the information gathered by the author has been set down under these headings, facts being given in each grouping with respect to all of the banks that were actually studied. Thus the first section deals with the paying-in of capital, and it is

shown how legal requirements on this subject were developed during the life of the First and Second United States Banks, and later by Massachusetts, Maine, Maryland, Florida, and other states. Next is taken up the distribution of stock, and inquiry is made as to the ownership of stock by private individuals and by the states, while legal requirements tending to limit the amount of stock to be held by single individuals are discussed in due order. In subsequent sections the length of charter, the scope of business, the volume of notes, the liability of directors, and numerous other topics are dealt with. The outline followed is an excellent analysis of the more important topics connected with banking, and affords a satisfactory grouping of the laws of the states touching on these points, in their appropriate places.

In studying the safety fund banking system in New York, Dr. Chaddock follows a familiar historical method of inquiry, discussing the origin of the system, its growth and development, modification and the like, finally closing with a section in which he inquires what bearing the New York experience has upon the general question of guaranty of deposits.

Probably the most disappointing thing about these monographs is the fact that, although care and pains has been expended in preparing them and although, as noted above, the authors have been obviously scrupulous and conscientious in investigating practically everything of contemporary interest that was available in connection with the topics they discuss, it is not apparent that much has been added to the previously existing fund of knowledge on the subjects dealt with. The new information that has been obtained consists of details whose general character was known before and which do not materially alter any of the lessons that have been drawn from the state banking experience. So while the workmanship is good, it may well be wished that the labor had been applied upon the more fertile ground where it would have brought forth manyfold, rather than upon the stony ground where the yield has been small.

Somewhat the same must be said with reference to the monograph on the origin of the national banking system by Mr. Andrew McFarland Davis, which is printed as the number of the Monetary Commission's series next after the volume on state banks. Mr. Davis has sketched in some detail the unsatisfactory condi-

tions which existed at the moment when the national banking system was conceived as a remedy for the existing troubles, and as a means of getting a good return for bonds. He has carefully examined the familiar material and in addition has had before him data collected by Mr. C. O. Ruggles involving a research into the papers of George Harrington, Jordan, and others, as well as into the correspondence of Mr. Chase as found in the archives of the Pennsylvania Historical Society and the Library of Congress. It does not appear that this careful research and scrutiny has been well repaid, for when the quoted bills, laws, and correspondence are eliminated from the monograph, the body of the work is small, and what there is of it is merely a clear and quite satisfactory statement of matter, all of whose essential elements were already available.

H. P. W.

The Use of Credit Instruments. By DAVID KINLEY. Report of the National Monetary Commission, Senate Document No. 399, 61st Congress, 2d Session, 1910. (Washington: Superintendent of Documents, 1910. Pp. 229.)

In this volume Professor Kinley has renewed and continued, under the auspices of the National Monetary Commission, the valuable studies of the use of credit instruments which he made in conjunction with the Comptroller of the Currency and some other investigators in 1896. The present inquiry does not depend at all upon the former investigations, but it makes use of the experience obtained at that time, avoids some of the errors which were then committed, and goes materially further than did the earlier studies. In this inquiry a letter was sent out by the Comptroller of the Currency to all banks throughout the country, asking for information as to the number and classification of depositors at banks, the local methods of paying wages, and the like. Deposits were to be classified as made by (1) retail dealers, (2) wholesale dealers, and (3) all other depositors; while the blanks distributed to the banks were to show the amount of deposits made in gold coin, silver coin, paper currency, and checks and drafts. As subsidiary information, the blanks called for the estimated amount